



CANNON BUILDING
861 SILVER LAKE BLVD., SUITE 203
DOVER, DELAWARE 19904-2467

**STATE OF DELAWARE
REAL ESTATE COMMISSION**

TELEPHONE: (302) 744-4500
FAX: (302) 739-2711
WEBSITE: DPR.DELAWARE.GOV
EMAIL: customerservice.dpr@state.de.us

PUBLIC MEETING MINUTES:	REAL ESTATE COMMISSION SUBCOMMITTEE
MEETING DATE AND TIME:	Thursday, August 8, 2019 at 9:30 a.m.
PLACE:	861 Silver Lake Boulevard, Dover, Delaware Conference Room A , Second Floor of the Cannon Building
MINUTES APPROVED:	September 12, 2019

MEMBERS PRESENT

Jason Giles, Professional Member, **Chairperson**
Nikki Lane, Professional Member
Lynette Scott, Professional Member
Nora Martin, Professional Member
Randy Marvel, Professional Member

DIVISION STAFF/ DEPUTY ATTORNEY GENERAL

Eileen Kelly, Deputy Attorney General
Alison Warren, Administrative Assistant III

ALSO PRESENT

CALL TO ORDER

Mr. Giles called the meeting to order at 9:56 a.m.

REVIEW OF MINUTES

The subcommittee reviewed the July 11, 2019 meeting minutes. Ms. Scott made a motion, seconded by Ms. Lane, to approve with minor changes. By unanimous vote, the motion carried.

UNFINISHED BUSINESS

Discussion to Update Regulations:

The commission subcommittee discussed changes to the crimes list related to:

§ 841 Theft; class B felony; class D felony; class F felony; class G felony; class A misdemeanor; restitution.

Additionally the Subcommittee discussed the following proposed regulation changes:

6.5 The brokerage name on the escrow account shall match the brokerage name on the license, including terms such as "d/b/a".

8.5 Real Estate Teams

8.5.1 "Team" refers to two or more Licensees who represent themselves to the public as being part of one entity.

8.5.2 Team Names

8.5.2.1 The word "team" or the word "group" must be included in the Team name.

8.5.2.2 The Team name may not include terms which suggest that the Team is a separate Brokerage Organization, such as "Realty," "Real Estate," "Realtors," "Company," "Corporation," "Corp.," "Inc.," "LLC," "LP," or "LLP."

8.5.3 Broker supervision

8.5.3.1 Team members must:

8.5.3.1.1 Work under the direct supervision of the same Broker in the same primary or branch office; and

8.5.3.1.2 Conduct all real estate activity from the primary or branch office where their individual licenses are displayed.

8.5.3.2 The team's Broker is responsible for the real estate activities of team members under such Broker's supervision.

8.5.3.3 A broker must maintain a current list of teams and team members and provide such information upon demand to the Commission or a member of the

13.0 Continuing Education; New Licensee Education [24 Del.C. §§2909(a)(7), 2910(d)]

13.2.2.4 13.2.1 No continuing education is required for fewer than six months of licensure., except that new licensees must meet the requirements set forth in subsection 13.13.

13.13 New Licensees.

13.13.1 Effective May 1, 2020, in addition to meeting the continuing education requirements set forth in Section 13.0, all newly licensed individuals, other than individuals licensed by reciprocity, shall also complete the following twelve hours of education, specifically for new licensees, no later than 90 days after the date of issuance of the individual's license:

13.13.1.1 Three (3) hours in professional standards for new licensees.

13.13.1.2 Three (3) hours in agreement of sale and buyer representation for new licensees.

13.13.1.3 Three (3) hours in real estate documents and seller representation for new licensees.

13.13.1.4 Three (3) hours in real estate professionalism for new licensees.

13.13.2 The twelve hours of education for new licensees may not be applied towards the continuing education required for licensure renewal.

13.13.3 New Licensees shall retain proof of completion of the twelve hours of education set forth in this subsection for a minimum of three years and produce such proof upon demand by the Commission or the Commission's representatives.

13.13.4 Each Broker is responsible for ensuring that his or her new licensees timely complete the twelve hours of education set forth in this subsection, shall maintain proof of completion of such education for a minimum of three years and produce such

13.6.7 Sanctions for Unjustified Noncompliance. The minimum penalty for the first finding of unjustified noncompliance shall be a \$250.00 monetary penalty, and any of the additional penalties specified in 24 Del.C. §2914. The minimum penalty for the second finding of unjustified noncompliance shall be a \$1,000 monetary penalty, and any of the additional penalties specified in 24 Del.C. §2914.

9.0 Exemption for Provider of Property Management Services [24 Del.C. § 2901(e)(5); 24 Del.C. 2902(a)(18)]

9.1 An individual performing property management services, in exchange for a fee, commission, compensation or other valuable consideration, shall be exempt for licensure only if the individual performs the following limited duties:

9.1.1 Maintenance.

9.1.2 Clerical or administrative support.

9.1.3 Collects or accepts rents and/or security deposits which are made payable to the owner or real estate brokerage.

9.1.4 Exhibits or shows residential rental units to prospective tenants.

9.1.5 Furnishes published information.

9.1.6 Supplies applications and leases.

9.1.7 Receives applications and leases for submission to the owner or brokerage for approval.

9.2 To be exempt from the licensure requirement, as provided in subsection 9.1, the individual performing property management services may not perform the following activities:

9.2.1 Negotiate contracts or lease agreements.

9.2.2 Vary or deviate from the rental price and/or other terms and conditions previously established by the owner or broker when supplying information concerning the rental of property to a prospective tenant.

9.2.3 Approve applications or lease agreements, or settle or arrange the terms and conditions of a lease on behalf of the owner or broker.

9.2.4 Offer inducements to prospective tenants unless they are previously advertised or prearranged with the owner or broker.

9.2.5 Interpret or provide an opinion concerning the terms or conditions of a lease agreement.

9.2.6 Indicate to the public that the individual is in a position of authority with the ultimate managerial responsibility for the rental property.

Ms. Lane moved, seconded by Ms. Martin to recommend changes to the full Commission. By unanimous vote, the motion carried.

PUBLIC COMMENTS

There were no public comments

NEXT SCHEDULED MEETING

Currently there is no additional sub-committee meetings scheduled.

ADJOURNMENT

There being no further business before the Commission. Mr. Giles moved, seconded by Ms. Lane to adjourn the meeting. By unanimous vote, the motion carried. The meeting adjourned at 10:53 a.m.

Respectfully submitted,

Alison Warren

Alison Warren
Administrative Assistant III

The notes of this meeting are not intended to be a verbatim record of the topics that were presented or discussed. They are for the use of the Board members and the public in supplementing their personal notes and recall for presentations.

